

Energy Package

The Problem

The recent and ongoing energy crisis has forced us to see energy generation in a whole new light.

The rising cost of gasoline has hit all consumers hard, especially Washington's farmers. This winter, families and senior citizens will be faced with rising home heating bills, forcing some to choose between food and heat. Finally, during the 2005 drought, Washington learned that continuing to rely 75 percent on hydropower for energy generation could prove catastrophic. Federal Judge James Redden, who insists on controlling Columbia River flows and hydro operations from the federal bench, has also destabilized much of the federal hydropower system's value as a source of affordable energy for Washington citizens.

The Solution

Senate Republicans continue to work hard for the expansion of renewable energy sources and alternative fuels through public-private partnerships, regulatory improvements and tax incentives. We have vigorously called for a special session to cap taxes on home heating products and expand the home heating assistance program.

SRC Energy Package

- ◆ Encourage production and use of biodiesel and ethanol through tax incentives to expand consumer markets and reward farmers for growing clean fuels.
- ◆ Establish a public information campaign to help consumers understand how to use green fuels and promote biodiesel and ethanol as clean, non-burning, non-toxic, non-polluting solutions.
- ◆ Cap taxes for natural gas, electricity, home heating oil, propane and other energy sources to save consumers money on their energy bills. Consumer energy taxes (and government tax revenues) shouldn't soar just because energy rates do.
- ◆ Encourage common sense reforms to expand refinery capacity for Washingtonians.
- ◆ Give renewable electricity developers and investors more certainty by extending and expanding current renewable electricity exemptions for machinery and equipment used to generate renewable electricity (fuel cells, wind, sun, or landfill gas). Expand the exemption to include machinery and equipment used to generate electricity from green bio-fuels and hydropower improvements.
- ◆ Reward consumers and utilities for installing "smart grid" solutions that help Washington's growing population meet peak power demands.
- ◆ Provide tax incentives to encourage smart energy product manufacturers to locate in Washington and succeed in the global marketplace.

SRC Wins – 2005

- SSB 5101 established a cost recovery incentive of up to \$2,000 for individuals, businesses or local governments to invest in renewable power generation. Small-scale windmill, solar panel and other alternative energy projects are beginning to spring up around the state. During renovation of the Legislative Building in Olympia, for example, the state installed solar panels to charge batteries used to light the Capitol dome at night.
- E2SSB 5111 provided a reduced B&O tax rate as an incentive to support and boost the solar panel production industry in Washington. This will benefit those who manufacture or whole-sale solar systems or manufacture silicon components.
- ESSB 5509 required major public agency facility projects funded in the capital budget to be designed, constructed, and certified to meet energy efficiency, water conservation and other environmental standards.

SRC Wins – 2004

- SSB 6146 encouraged the development and promotion of renewable energy in Washington. This measure brought together representatives from business and industry, government, non-profits and educational institutions to accelerate the emergence and growth of energy technology in Washington. The renewable energy sectors in Washington generate close to \$1 billion annually and employ more than 3,800 people.

SRC Wins - 2003

- ESSB 5028 clarified Washington's authority to regulate water pollution. It prohibited DOE from taking water quality enforcement action against water right holders if the right is used in accordance with the law.
- 2E2SHB 1336 (SSB 5027) outlined a framework for the fourth and final phase of the watershed planning process – implementation.
- 2E2SHB 1338 (SB 5331) protected municipal water rights from relinquishment through non-use and allowed them to expand as demand within a service area grows.

SRC Wins - 2001

- ESHB 1832 – The omnibus water package, approved with the momentum gained by a drought, was a step toward balancing water needs between agriculture, energy generation and salmon habitat. The measure also streamlined the water right process by creating two lines for the processing of water right permits; one for changes to existing permits, and the other for new permits.